Y1.1/8:97-931

OCT 28 1982

97TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
No. 97-931

Y1.1/8:97-931

ORIGINAL

AMENDING THE DISTRICT OF COLUMBIA SELF-GOVERNMENT AND GOVERNMENTAL REORGANIZATION ACT TO INCREASE THE AMOUNT AUTHORIZED TO BE APPROPRIATED AS THE ANNUAL FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

OCTOBER 2 (legislative day, OCTOBER 1), 1982.—Ordered to be printed

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Mr. DELLUMS, from the committee of conference, submitted the following

CONFERENCE REPORT

COMPLETED

[To accompany S. 2457]

The committee of conference on the disagreeing votes of the two Houses on an amendment of the House to the bill, S. 2457, an act to amend the District of Columbia Self-Government and Governmental Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

RONALD V. DELLUMS,
WALTER E. FAUNTROY,
MICKEY LELAND,
STEWART B. MCKINNEY,
THOMAS J. BLILEY, Jr.,
STAN PARRIS,
Managers on the Part of the House.

CHARLES MCC. MATHIAS, Jr.,
WARREN RUDMAN,
THOMAS F. EAGLETON,
Managers on the Part of the Senate.

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JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2457) submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Conference Committee has agreed to strike the provisions of the House amendment, hereinafter referred to as the Parris amendment, pursuant to an agreement between the District of Columbia and the District of Columbia Retirement Board.

S. 2457 authorizes an increase in the federal payment to the District of Columbia for fiscal year 1983 and beyond. In the House, the bill was amended to require that of any funds appropriated for the federal payment in fiscal year 1983, not less than $14.3 million were to be paid to the District of Columbia Retirement Board to eliminate deficits in the District of Columbia Teachers' Retirement Fund and the District of Columbia Police Officers and Fire Fighters' Retirement Fund.

In order to avoid the necessity of earmarking the federal payment in the manner contemplated by the Parris amendment, the Mayor of the District of Columbia and the Chairman of the District of Columbia Retirement Board (on the approval of the full Board) have come to an agreement regarding the funding of the retirement funds deficits. That agreement is contained in a letter sent to the Chairman of the House District Committee. The letter reads as follows:

THE DISTRICT OF COLUMBIA,
Washington, D.C., September 29, 1982.

Hon. RONALD V. DELLUMS,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN DELLUMS: Today, a House/Senate Conference Committee will consider Federal Payment authorization legislation for the District of Columbia. Both of the bills provide Federal Payment authorization of $361 million. The House version requires that $14.3 million of the $24.4 million increase in the Federal Payment be set aside to repay prior year pension shorftalls.

The Mayor met with the D.C. Retirement Board in an effort to avoid the Federal Payment earmarking. We are pleased to report to you that we have been able to reach agreement, and we jointly support the removal of the Federal Payment set aside for pensions. The agreement we have reached in substitution therefore is as follows:

(1) The District will pay to the pension funds, the fiscal year 1981 shortfall of $14.3 million plus interest of $1.4 million. Principal

payments of $4.75 million will be made in three successive fiscal years, beginning in fiscal year 1983. Interest payments of $475,000 will be made in three successive years beginning in fiscal year 1984.

(2) The District will pay the estimated fiscal year 1982 shortfall of $6.8 million, without interest. Payments of $2.25 million will be made in three successive fiscal years beginning in fiscal year 1984.

(3) The District agrees to pay from the General Fund the sum of $425,000 toward administrative expenses of the Board and supports the Board's request for seven positions as part of the appropriated budget for fiscal year 1983 now pending in Congress.

The parties request the Conferees to sustain the legislative provisions recommended by the House Committee on Appropriations contained in the Limitations and Legislative Provisions section of House Report 97-849.

The payments cited in this agreement will be made on October 1 or when the District receives its first quarter Federal Payment allocation whichever is later or as provided in a Joint Resolution continuing the District's Appropriations.

In reaching this agreement, the Executive Branch has committed itself to include the D.C. Retirement Board in the Amendment and Supplemental Budget review process of the District of Columbia beginning in fiscal year 1983 and the parties have further agreed to take every reasonable step to avoid shortfalls in the future and to create a formal process for examination of any that do occur.

We are pleased to have been able to resolve this matter satisfactorily, and we request your ratification of our agreement as a substitute for the earmarked Federal Payment.

Sincerely yours,

MARION S. BARRY, Jr.,
Mayor.

FRANK HIGGINS,
Chairman, Retirement Board.

Pursuant to the agreement, as set forth in the above letter, the District of Columbia agrees to make the following payments to the District of Columbia Retirement Board:

In fiscal year 1983: a principle payment of $4.75 million on the fiscal year 1981 shortfall.

In fiscal years 1984 and 1985: a principle payment in each of the years of $4.75 million on the fiscal year 1981 shortfall; an interest payment in each of the years of $475,000 on the fiscal year 1981 shortfall; and a $2.25 million payment in each of the years on the fiscal year 1982 shortfall.

In fiscal year 1986: an interest payment of $475,000 on the fiscal year 1981 shortfall; and a $2.25 million payment on the fiscal year 1982 shortfall.

In addition, the City agrees to pay from the General Fund the sum of $425,000 toward the administrative expenses of the Board, and supports the Board's request for funding of seven administrative positions. The City agrees to pay all of the principle and interest payments on October 1 of each year, or when the District receives its first quarter federal payment allocation, whichever is

later, or as provided in a Joint Resolution continuing the District of Columbia's appropriation.

In addition to the above payments to the Board, the conferees support the legislative provisions addressing the D.C. Retirement Board recommended by the House Committee on Appropriations contained in the Limitations and Legislatives Provisions section of House Report 97-849; to include the D.C. Retirement Board in the Amended and Supplemental Budget review process of the District of Columbia beginning in fiscal year 1983; to take every reasonable step to avoid shortfalls in the future; and to create a formal process for the examination of any shortfall that might occur in the future.

The Mayor and the Chairman of the D.C. Retirement Board intend that the agreement contained in the above letter be an enforceable agreement, and that if one of the parties to the agreement breaches the agreement, the other party may bring suit against the breaching party to enforce the agreement.

In light of the foregoing, it is no longer necessary for the federal payment monies to be earmarked. Thus, the Committee of the Conference agrees to strike the Parris amendment.

RONALD V. DELLUMS,
WALTER E. FAUNTROY,
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